

Introduced by Senator Bowen

March 31, 2005

Senate Joint Resolution No. 7—Relative to Equal Pay Day.

LEGISLATIVE COUNSEL'S DIGEST

SJR 7, as introduced, Bowen. Equal Pay Day.

This bill would proclaim April 19, 2005, as Equal Pay Day in California and would urge Congress to protect the right of all American women to receive equal pay for equal work, and to continue to provide effective remedies to victims of discrimination in the payment of wages on the basis of sex.

Fiscal committee: no.

1 WHEREAS, Forty-two years after the passage of the Federal
2 Equal Pay Act of 1963 and forty-one years after the passage of
3 Title VII of the Federal Civil Rights Act of 1964, American
4 women continue to suffer disparities in wages that cannot be
5 accounted for by age, education, or work experience; and

6 WHEREAS, According to statistics released in 2004 by the
7 U.S. Census Bureau, year-round, full-time working women in
8 2003 earned only 76% of the earnings of year-round, full-time
9 working men, indicating little change or progress in pay equity;
10 and

11 WHEREAS, A General Accounting Office report on women's
12 earnings shows that there exists an inexplicable wage gap of
13 approximately 20 percent between men and women, even after
14 taking into account work experience, education, occupation,
15 industry of current employment, and other demographic and job
16 characteristics; and

17 WHEREAS, Since the passage of the Equal Pay Act, the gap
18 has narrowed by less than half, from 41 cents per dollar to 22

1 cents, and research by the Institute for Women's Policy Research
2 finds that recent change is due in large part to men's real wages
3 falling, not women's wages rising; and

4 WHEREAS, California ranks fifth among all states in equal
5 pay, yet it ranks 39th among all states in progress in closing the
6 hourly wage gap, and at the current rate of change California
7 working women will not have equal pay for another 40 years;
8 and

9 WHEREAS, The consequences of the wage gap reach beyond
10 working women and extend to their families and the economy to
11 the extent that, in 1999, even after accounting for differences in
12 education, age, location, and the number of hours worked,
13 America's working families lost \$200 billion of annual income to
14 the wage gap, with an average of \$4,000 per family; and

15 WHEREAS, Women play a crucial role in maintaining the
16 financial well-being of their families by providing a significant
17 percentage of their household incomes and, in many cases,
18 women head their own households; and

19 WHEREAS, Pay inequity results in a higher poverty rate for
20 women, particularly in women-headed households, as evidenced
21 by figures from the McAuley Institute which indicate that for
22 families that are headed by a woman and have children under the
23 age of five years, the poverty rate is an astonishing 46.4 percent;
24 and

25 WHEREAS, Women currently comprise 48 percent of the
26 labor force; and

27 WHEREAS, Educated women are not exempt from pay
28 disparity; and

29 WHEREAS, In 2001 the average income for a woman with a
30 bachelor's degree was 24% lower than that of a man with the
31 same level of education—\$32,238 versus \$42,292; and

32 WHEREAS, The average 25-year-old working woman will
33 lose about \$455,000 to unequal pay during her working life; and

34 WHEREAS, The wage gap is also prevalent within minority
35 communities, as shown by a 2002 report that African-American
36 women earned 91 percent of what African-American men earned,
37 and Hispanic women earned 88 percent of what Hispanic men
38 earned; and

39 WHEREAS, Even in professions in which women comprise a
40 majority of workers, such as nursing and teaching, men earn an

1 average of 20 percent more than women working in these same
2 occupations; and

3 WHEREAS, According to the data analysis of over 300 job
4 classifications provided by the United States Department of
5 Labor, Bureau of Labor Statistics, women are paid less in every
6 occupational classification for which sufficient information is
7 available; and

8 WHEREAS, The average 25-year-old woman who works
9 full-time, year-round, is projected to earn \$523,000 less over the
10 course of her career than the average 25-year-old man who works
11 full-time, year-round; and

12 WHEREAS, If women were paid the same as men who work
13 the same number of hours, have the same education and same
14 union status, are the same age, and live in the same region of the
15 country, then the annual family income of each of these women
16 would rise by \$4,000, and the number of families who live below
17 the poverty line would be reduced by half; and

18 WHEREAS, The wage gap continues to affect women in their
19 senior years as lower wages result in lower pensions and incomes
20 after retirement, and affect a woman's ability to save, thereby
21 contributing to a higher poverty rate for elderly women; and

22 WHEREAS, Half of all older women with income from a
23 private pension receive less than \$5,600 per year, as compared
24 with \$10,340 per year for older men; and

25 WHEREAS, Men live an average of 77 years and women live
26 an average of 81.7 years; and

27 WHEREAS, Assuming men and women retire at age 65, men
28 will rely on their state pensions to help them through 12 years of
29 life, while a woman's pension will have to last 16.7 years; and

30 WHEREAS, There is a greater likelihood that a female worker
31 would outlive her defined contribution plan; and

32 WHEREAS, It is estimated that it would cost a man \$654,000
33 to purchase an annuity based on 25 years of service and a \$6,000
34 final-month salary, while it would cost a woman over \$700,000
35 to purchase the same annuity with the same monthly benefits;
36 and

37 WHEREAS, If both a man and a woman invested \$750,000 in
38 this same annuity, it is estimated the woman would receive a
39 little under \$3,420 per month while the man would receive
40 \$3,670, or a 7-percent difference; now, therefore, be it

1 *Resolved by the Senate and the Assembly of the State of*
2 *California, jointly,* That the Legislature hereby declares April 19,
3 2004, to be “Equal Pay Day” in California and urges California
4 citizens to recognize the full value and worth of women and their
5 contributions to the California workforce; and be it further
6 *Resolved,* That the Legislature respectfully urges the Congress
7 of the United States to protect the fundamental right of all
8 American women to receive equal pay for equal work, and to
9 continue to provide more effective remedies to victims of
10 discrimination in the payment of wages on the basis of sex; and
11 be it further
12 *Resolved,* That the Secretary of the Senate transmit copies of
13 this resolution to the President and Vice President of the United
14 States, to the Speaker of the House of Representatives, to the
15 Majority Leader of the Senate, and to each Senator and
16 Representative from California in the Congress of the United
17 States.